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ACCOUNTS RECEIVABLE AS AN OBJECT OF MANAGEMENT BY ENERGY DISTRIBUTION COMPANY

The bulk of the floating capital in energy distribution companies (**EDC**) is taken by the accounts receivable. The level of receivables is often excessive and unreasonable due to insufficiently effective management. The term «accounts receivable)) towards **EDC** should be updated according to accounts receivable management goals and energy branch peculiarities.

There we encounter several key peculiarities of the Ukrainian **EDC** accounts receivable management. Firstly, the merchantable product of **EDC** is single, because **EDC** sell only electric energy. Secondly, the consumers pay only for the quantity of the consumed energy within the fixed time period. Thirdly, consumer debt retirement should be in cash. Fourthly, there is no official consumer arrangement to repay the debt. In general the control of consumers' debt retirement is lost by the **EDC** managers, consumer debts become unmanaged. Each of them could be explained by complex factors, such as energy legislation claims, wholesale energy market structure, macroeconomic disbalance, consumers payment discipline and their behavior in that direction.

In consequence of the theoretical term analysis and practical aspects of receivables management in the energy branch in general and **EDC** in particular we suggest the definition of accounts receivable management of **EDC**. It reads as the officially

confirmed customer agreement to pay the cash amount by the target date according to the quantity of consumed electric energy within fixed time-period.

Unlike existing terms of receivables, we firstly focused on the Ukrainian energy branch peculiar properties and management aspects. There is a clear opportunity to use this term for solving compartmentalized scientific and practical problems of receivables management in the DC.

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